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ABSTRACT

Describing a process by which tribal governments can, if they wish, use their past to evaluate their present and plan for the future, the document briefly discusses the historical relationship of the United States and American Indian nations; how Indians coped with the new system; the increasing pressures experienced by tribal governments, which have created an economic dichotomy on the reservation; and the organizational structure of tribal governments, as a result of administering their own programs. An overview of the work conducted by the Americans for Indian Opportunity (AIO) to aid three tribes with their self-evaluation provides information on the decision to self-evaluate, data collection, and training and technical assistance required by three different tribes. A dialogue between AIO staff, Tribal Council, and the planning office provides a combination of questions, answers, attitudes, and misconceptions that were picked up in the process of trying to understand how planning is handled on a reservation. Common problems of government units and recommendations for solving the problem are discussed: lack of long range planning and continuity; the boom town syndrome; the danger of administering their own federal social programs; and lack of perspective and of a political power base. (NQA)

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WE, THE PEOPLE(S)... IN ORDER... TO PROMOTE THE GENERAL WELFARE... TO OURSELVES AND OUR POSTERITY...

A SELF-EVALUATION PROCESS FOR INDIAN TRIBAL GOVERNMENTS

1981

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LaDONNA HARRIS, PRESIDENT

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FLINT, MICHIGAN**

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RC 013363

FOREWORD

Dear Friends:

In the completion of a two-year work project to develop a self-evaluation process for Indian tribal governments, we have come to the profound conclusion that unless we understand what is happening to tribal governments today and take some counteraction, tribal governments are in real danger of finding themselves bankrupted by the cost of administering the federal social programs they have taken on in the name of self-determination. Most tribes have become extensions of the federal government and have become program administrators rather than governing bodies.

In carrying out this project, we worked with three diverse tribes very closely, and several others less intensely, to develop a method which tribal decision-makers could use to evaluate their own decision-making process. We have completed our reports—which turned out to be three or four hundred pages long for the individual tribes—and the overall report called "We The People(s) . . . In Order . . . To Promote The General Welfare . . . To Ourselves and Our Posterity . . . ", A Self-Evaluation Process for Indian Tribal Governments.

We are sorry to report that once again we found no easy answers. We did identify several common problems that seem to be confronting most tribes. Some are being widely discussed; some are just beginning to surface. Most of these problems have been experienced by states, and cities and cannot be generally ascribed as "Indian failures." Rather, they are common problems of government units trying to improve conditions for their people in a piece-meal social welfare fashion. Indian nations' problems are compounded by their intricate relationship with the Federal government which must be maintained, refined and defined as they do everything else. In

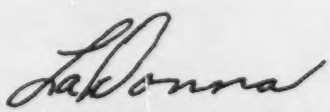
spite of the seemingly overwhelming problems tribes face, they generally have done a better job than other governmental entities.

The Federal government is responsible for a large share of the burdens that tribes must bear. Failure to make the joint funding process work well has contributed to additional administrative pressures. Where funding is received from several agencies, some tribes may find themselves undergoing one audit after another several months each year. Is it any wonder there is no time for planning, setting up systems and making them work? Nevertheless, tribal decision-makers do have the last word on what they will choose to undertake.

We must all face the fact that the present economy in the United States is such that even if present funding levels for programs is maintained, we are still losing ground. Talk of the inflation rate means—that a dollar continues to buy less each day than it did the day before, but it will continue to grow worse. Now with talk of balancing the budget it is clear that this kind of pressure will eventually lead to cuts in federally funded programs. I know I sound like a fundamentalist preacher but I tell you, my friends, we had better be ready.

I hope our report will be helpful to you. We hope AIO can be helpful to you. Let us know how.

With warm regards,



LaDonna Harris
President

THE PEOPLES

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

Preamble to the Constitution of the United States of America

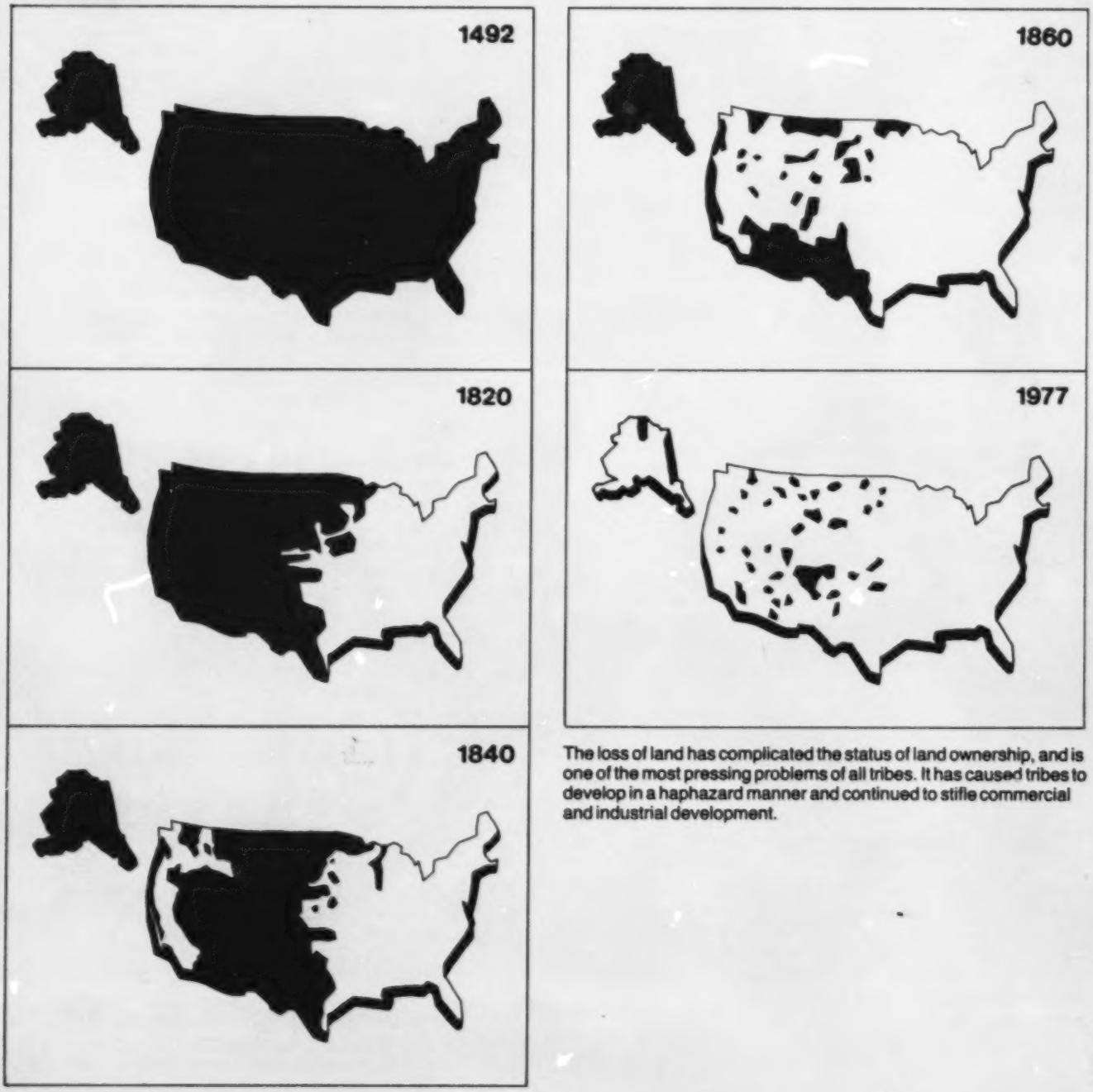
In the hearts of most people in this country, these words marked the beginning of self-government on the North American continent and perhaps in the world. Relatively few people know that there were a thousand or more self-governing entities already in existence on this continent hundreds, perhaps thousands, of years before those eloquent words were written.

Those governmental entities were the sovereign nations of native peoples misnamed Indians by Columbus who thought he had sailed around the world to India. Each of those nations were groups of people who at some point in time joined together in order to better meet their mutual needs. The form their government took reflected the reasons they had joined together in the first place. They had economic systems, environmental sytems, social systems, and shared common religious beliefs all of which were so inter-related that one could not be separated from the other. Combined, they made up the culture of that particular group of people. And each group, in its own language, called themselves THE PEOPLE.

When Europeans first came to this continent, they brought their old governments with them. The representatives of those governments presumptuously carved out certain areas to which they laid claim in the name of their particular king. These areas became colonies of that particular government. The purpose of those colonies was to provide additional wealth to the Mother Country. The natural resources were exported. The colonial governments were puppet governments with all the strings pulled by the throne. The rule of the various countries was extended to govern the new citizens of the territories in which they lived, though they did not assume that they governed the people who were already there. Some lived in peace and harmony with or in terror of the native peoples at first. The balance of power was such that it was in their best interest to do so. Increased numbers of Europeans bringing with them their diseases and their guns disrupted the systems of THE PEOPLES and changed the balance of power. Even so, the newcomers continued to recognize the existing governments of the various Indian nations. Treaties were made between the mother countries and the colonial governments and the Indian nations. The colonies eventually rejected the repression and exploitation of the Mother Country and established their own government. When the new nation, the United States, was formed, one of the powers given up by the individual states (the former colonies) to their common government was the power of dealing with Indian tribes—once again acknowledging that tribes are sovereign nations.

The relationship of the new United States and Indian nations is not a proud chapter of history for the non-Indian American. The Colonies which had fought so hard to free themselves from repression and exploitation repressed and exploited the native peoples. Indian reservations became America's colonies. Tribal systems—economic, environmental, religious, social—were so disrupted that there was not only colonialization of the resources, but even worse, there was colonialization of the minds of THE PEOPLES. History books gloss it over. Most people would like to pretend it never happened. But it did happen. Although individuals involved in it often behaved in honorable and courageous ways, Federal Indian policy was shameful. Nevertheless, some Indians survived and they survived as nations. Economic, environmental, social, and cultural systems were disrupted and there is still a constant battle against those who would destroy Indian nations. Some were hurt worse than others. Some were destroyed. But those who remain are very real—a part of the history of yesterday—a living part of the history of the present and of the future.

Indian Lands



The loss of land has complicated the status of land ownership, and is one of the most pressing problems of all tribes. It has caused tribes to develop in a haphazard manner and continued to stifle commercial and industrial development.

The purpose of this document is to describe a process by which tribal governments can—IF THEY WISH—use their past to evaluate their present and plan for the future.

Without going through all the machinations that brought us to that point, the passage of the Indian Reorganization Act in 1934 was a major milestone in Federal Indian policy. Assuming the intentions that prompted it were good, the implementation of the Act had both positive and negative effects on the tribes. Among other things, the Indian Reorganization Act once again recognized tribes as governmental entities. It recognized that while there were systems of tribal government, it was just too hard for the Federal government and the American people to deal with or even understand those systems. After all, the United States had discovered a perfectly good system of government —Constitutional—and like a person who has just discovered sex, thought there was only one way to do it. They had not yet discovered that the joys of government could be experienced in many different ways and the best government is one that feels good to the participants.

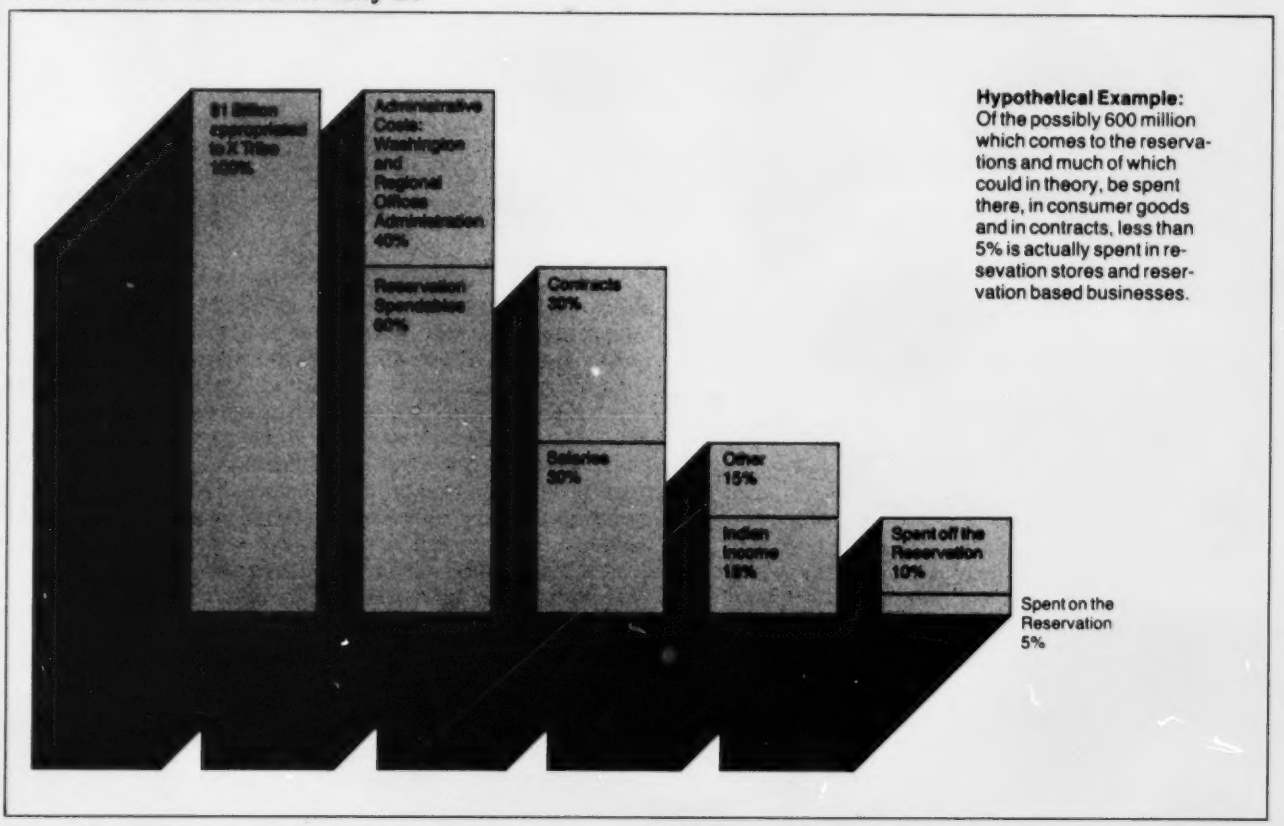
To carry out the Indian Reorganization Act, the Bureau of Indian Affairs set out with "boiler plate" constitutions to bring Constitutional government to the tribes—with one exception. The right of approval of tribal constitutions was retained by the Secretary of Interior. Many tribes accepted the constitutional form of government. Some did not. Some who did were able to incorporate some of the things in the constitution that were in keeping with their particular culture. Some were able to incorporate time limits on Secretarial approval. Whatever the original feelings of the tribe were regarding the constitution, those with constitutions have come to view them in much the same way most Americans have come to view the United States Constitution—a sacred cow only to be tampered with at great risk. Unlike the United States Constitution which was designed to meet the special needs and situations of those forming the government, most tribal constitutions had little relationship to the method of government the people were accustomed to or would have chosen for themselves.

THE PEOPLES then had to go through a whole new process of learning to cope with the new system. During that adjustment period, roughly a quarter of a century, it was pretty rough for most tribes. They were largely ignored by the Federal government. A few years earlier, the United States had bestowed Indians with dual citizenship. They were now United States citizens, as well as citizens of their individual nations. Now they had bestowed them with a new form of government. Indian warriors went off to do battle for the United States. As the veterans came home, there was a rising awarness of the meaning of both citizenships. New educational opportunities opened up. Indians were fast learners. They developed political and legal skills and began to hold the government—their trustee—accountable. The Indian Renaissance had begun. Federal Indian policy began to change—not because the government was different but because Indians began to think of themselves differently and to behave differently.

During the last decade, tribal governments have come under increasing pressures for two primary reasons. One, world energy and other resource shortages and the recognition of the value of the resources owned by tribes has caused increased pressure to develop. Two, tribes have begun to administer their own programs. These two factors have caused a virtual explosion in the requirements for expertise, talent, and systems.

Every tribe is, in effect, a "boom town". The internal stress factors on tribal decision-makers are the problems of their people—high unemployment, poor health care, poor housing, etc. These problems add to stresses on individuals and families which are showing up in increasing family problems—child and spouse abuse, physical and mental health problems, alcoholism and drug abuse. Because tribal decision-makers are also members of the tribes, they and their families are subject to all the same kinds of individual stress. The influx of federal programs now administered by the tribe has created a mushroom of tribal employment and a new "elite" on the reservation. Tribal employees are, generally speaking, making good salaries as a result of federal programs creating an economic dichotomy on the reservation. They continue to receive all the services the tribes provide, day care, health care, police protection, roads, etc., usually in greater

Federal Dollars and Where They Go

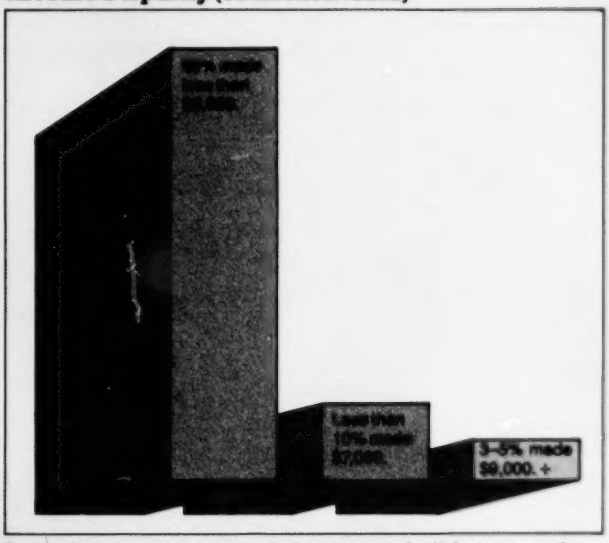

$1 Billion appropriated to X Tribe 100%
Administrative Costs: Washington and Regional Offices Administration 40%
Reservation Spendables 60%
Contracts 30%
Salaries 30%
Other 15%
Indian Income 15%
Spent off the Reservation 10%
Spent on the Reservation 5%
Hypothetical Example:
Of the possibly 600 million which comes to the reservations and much of which could in theory, be spent there, in consumer goods and in contracts, less than 5% is actually spent in resevation stores and reservation based businesses.

proportion than non-employees simply because they are more aware of what is available, and are in a better position to take advantage of them. Federal programs have made a significant impact on their lives. The non-employees have seen no major change in their lives and they resent it.

Most tribes have no system for tribal employees to reinvest in their community. This is contrary to the old economic systems which were based on redistribution and sharing. A person's value was based on what he could give rather than what he could get. There is no substantial private sector on the reservation which could provide alternative sources of income and prestige. Tribal employment often depends or at least appears to depend on the good favor of the tribal council members. The community divides up into the "ins" and the "outs".

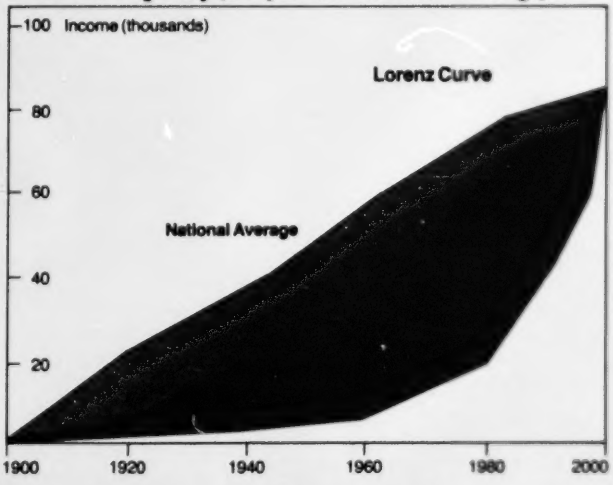
Major portions of the community's energy is spent by the "outs" trying to get in and "ins" trying to stay in. While there is still a great deal of manipulation of tribal priorities by government agencies it is no longer a community together hating the outsiders who are controlling their lives. Because the tribal council is now responsible for administering federal programs, no matter how ill-conceived or subject to outside control, the Council is perceived to be in charge. Without a common enemy on the outside to unify the community, and without common goals on the inside (in the past it has been the struggle for survival), people are confused about their individual roles in life and what it is they are supposed to be doing. Who do I like? Who do I hate? What do I work for? Where do I, as an individual, fit into the whole scheme of things? Who am I?

Income Disparity (on the Reservation)



Federal programs have created an economic dichotomy on the reservation. Communities have divided up into the "ins and outs".

Income Disparity (compared to the national average)



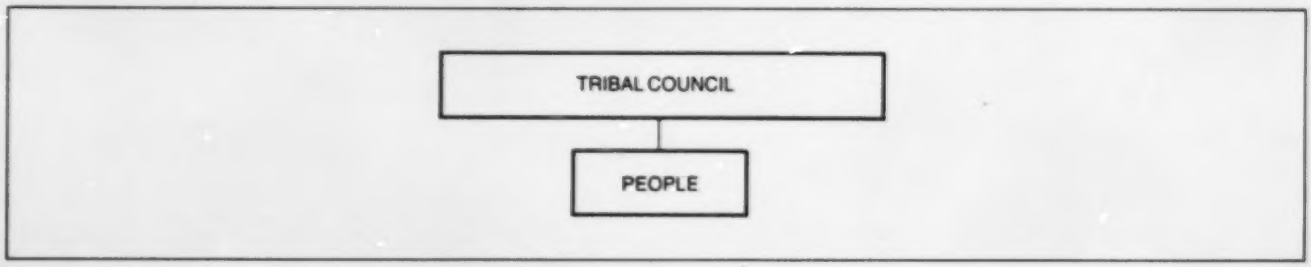
Add to these dilemmas the return to the reservations of large numbers of tribal members (compared to the population of the reservation five years ago) who have been away for one reason or another—to find work, to seek education, marriage outside the tribe, off reservation foster home placement, whatever—with rising levels of expectation who immediately become suspect to those who have stayed at home.

Mix well with offers of "instant wealth" from would-be developers who seek leases or special opportunities on the reservation offering bonuses for per capita payments—never mind long range environmental and economic impacts—and you've got a mess on your hands.

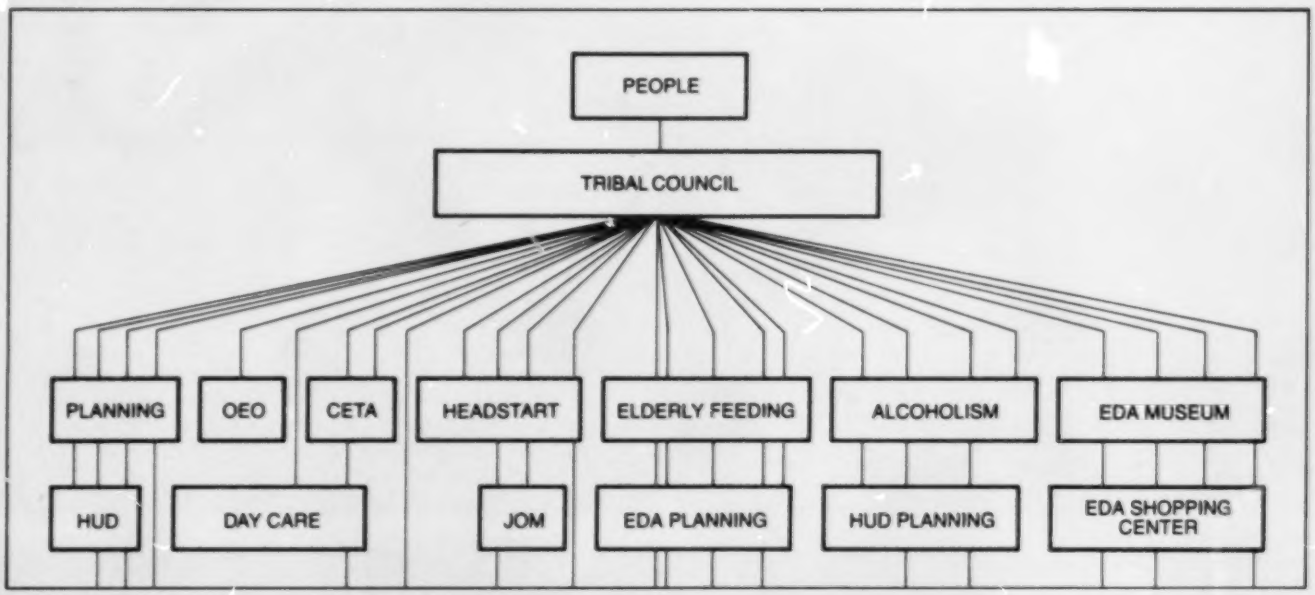
Once again, Indians have to develop new coping skills. With all the new pressures both from the inside and the outside, many find themselves with Constitutions which do not fit their special circumstances. They find themselves "hooked" on Federal programs. That is, the Reservation economy is based on Federal programs. Because there has been no reservation business infrastructure to turn over dollars and create new jobs, the Federal program dollars have become a part of the surrounding non-Indian community's economic system. Dollars are only coming on the reservation and going off the reservation—not circulating through the community. There is no economic system—only an economic pass through. Sometimes dollars don't even come on the reservation. Take money for buildings, or housing projects—theoretically the tribe gets the money. In reality, the money goes to a non-Indian contractor who often has no tribal members on his payroll. The tribe is responsible for administering the contract and there often isn't even money to pay the expenses of the administration. It not only fails to contribute to the economy of the tribe; it drains it. Yet the tribe is dependent on those federal dollars for any kind of economy. Anytime a federal program is terminated, the whole tribe has withdrawal symptoms much like a drug addict. They are at the mercy of the "pushers" and will do almost anything to find a *new* source to get another "fix". The price goes higher and need grows greater. Federal programs become the tail that wags the dog. Tribes have a right to Federal dollars, but they must develop systems which allow them to control the dollars rather than the dollars controlling them. Devising those systems will require all the skills a tribe can muster if they are going to have a system which will meet the cultural, social, environmental, and economic needs of their peoples.

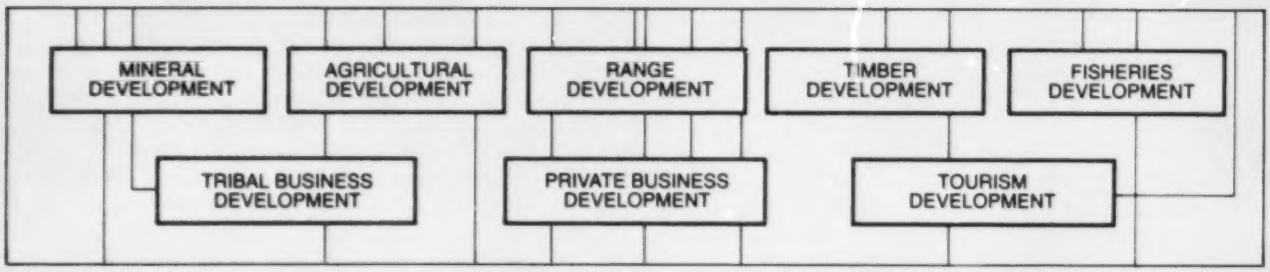
BEST COPY AVAILABLE

As tribes took over the administration of their own programs, they were tempted to take anything that came along. Any new program, after all, meant new jobs where there had been none. Each new building was a visible sign that something tangible was being added to the tribe that had not existed before. Each project took on a life of its own and built up its own particular constituency. As a new program came in, it became a new square on a growing organizational chart. We call that "tack on" government—that is, you begin with a central structure, usually the Council, then you began tacking on new programs. The next thing you've got may be an OEO Office (Office of Economic Opportunity, called Office of Native American Programs now called Administration for Native Americans.) Then you get a HUD Housing Program (Housing and Urban Development). Then you get a Day Care Program. A HUD Planning Grant. A Head Start Program. A Johnson-O'Malley Program. An Elderly Feeding Program. An Alcoholism Program. An Economic Development Planner. Three Economic Development Projects—a tribal building, a shopping center, a museum. And all of a sudden you realize that your government structure that originally looked like this



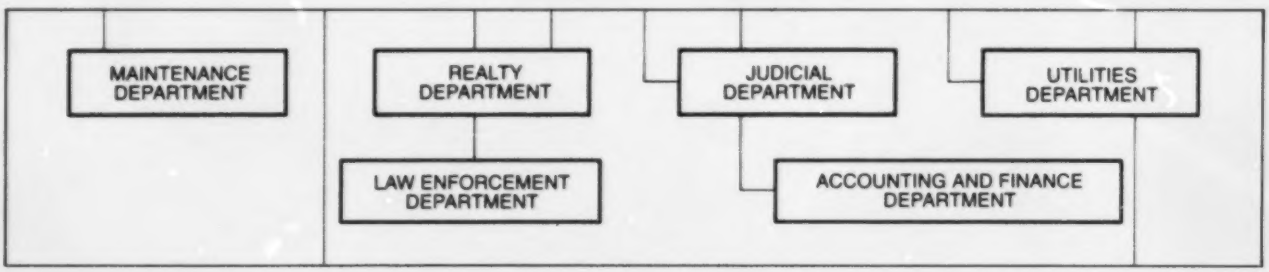
now looks like this—





all that before you even consider the administration of your natural resources which up until five to ten years ago was pretty much left to BIA. Now added to your chart any combination of the following– all of which are essential to being able to control a tribe's future.

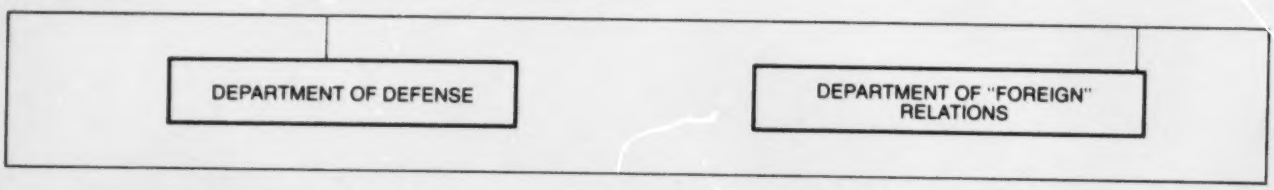
By now your number of tribal employees has grown from none or one or two to 180 or as much as 1,500. You have thirteen separate grants each of which comes with its own peculiar set of regulations and requirements, probably two to eight resource development activities each of which affects the others, and a whole set of needs you haven't even addressed yet–water, sewer, energy source (utilities), garbage disposal, maintenance of buildings, law enforcement, judicial services, equipment maintenance, and last but by no means least, management, accounting, and accountability systems.



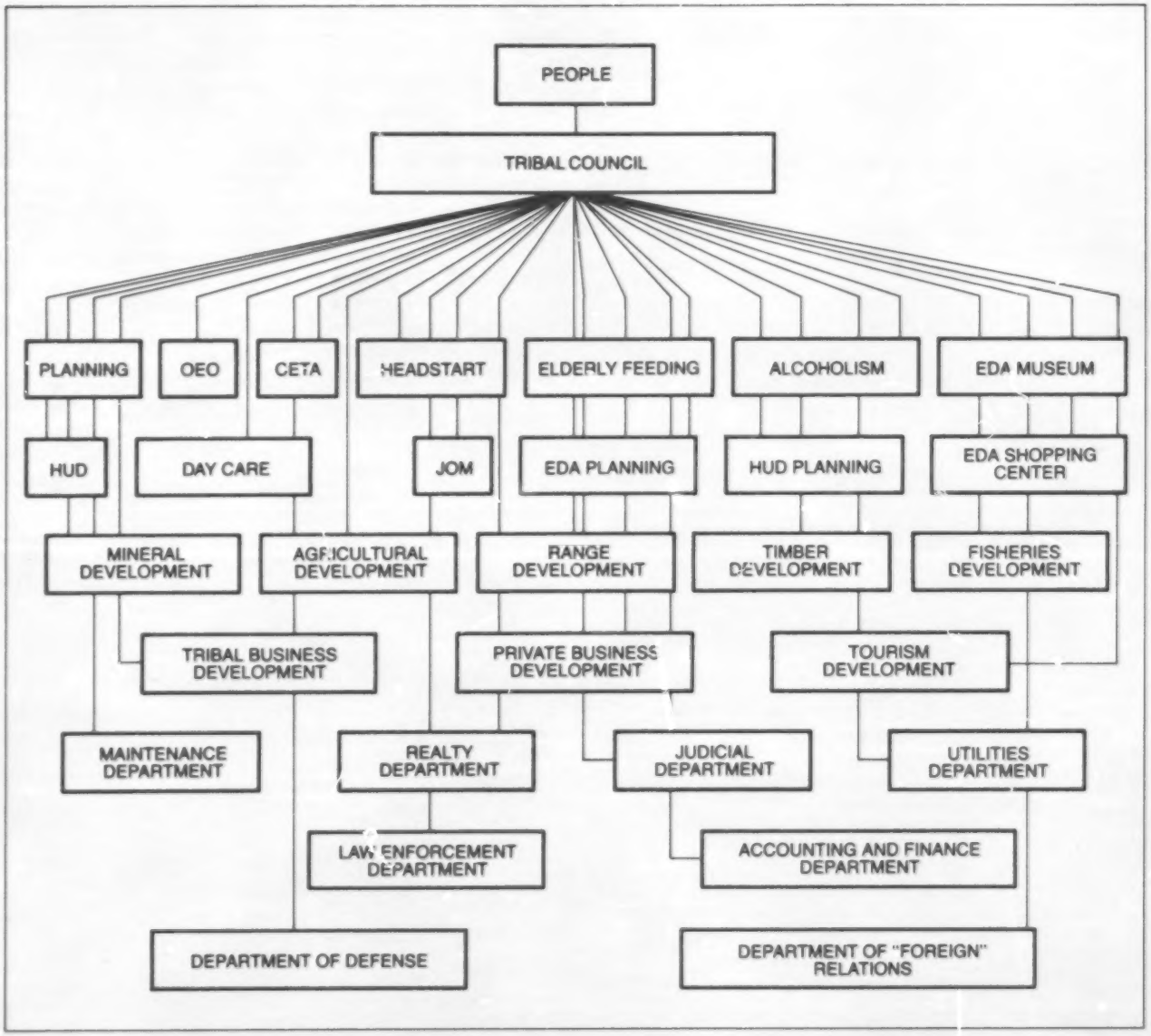
How on earth did tribes allow themselves to get in this predicament? After all, they have been governing themselves all these years—

Why on earth did government agencies continue to fund programs for tribes without recognizing that certain structural supports were missing? After all, they've been in business for two hundred years—Tribes say that they are governments like the Federal government or state governments or county governments or city governments—

Oh Goodness!! We haven't even thought of that yet. We forgot about the fact that tribes are still subject to the whims of the Federal government! Tribal programs depend on legislation and appropriations from the Congress. We forgot that the Administration can write regulations for the administration of the laws that Congress passed that can distort and bend the laws either in the best interests or worst interests of the tribes. The states often think they have jurisdiction over tribal resources—taxation, licensing, environmental regulation, property rights such as hunting and fishing—and that tribes must constantly be on guard and be ready to go to court to protect their rights. States and counties and cities want the economic benefits of tribal development to go directly into their communities without turning over on the reservation. They don't want any responsibility for furnishing services and they do want to bitch about the fact that Indian land is not included in their tax base. We forgot that the states have the economic and political clout to influence the Congress, in a much more forceful way than the Tribes can. so in addition to everything else, every Tribe needs a Defense Department and a State or Foreign Relations Department.



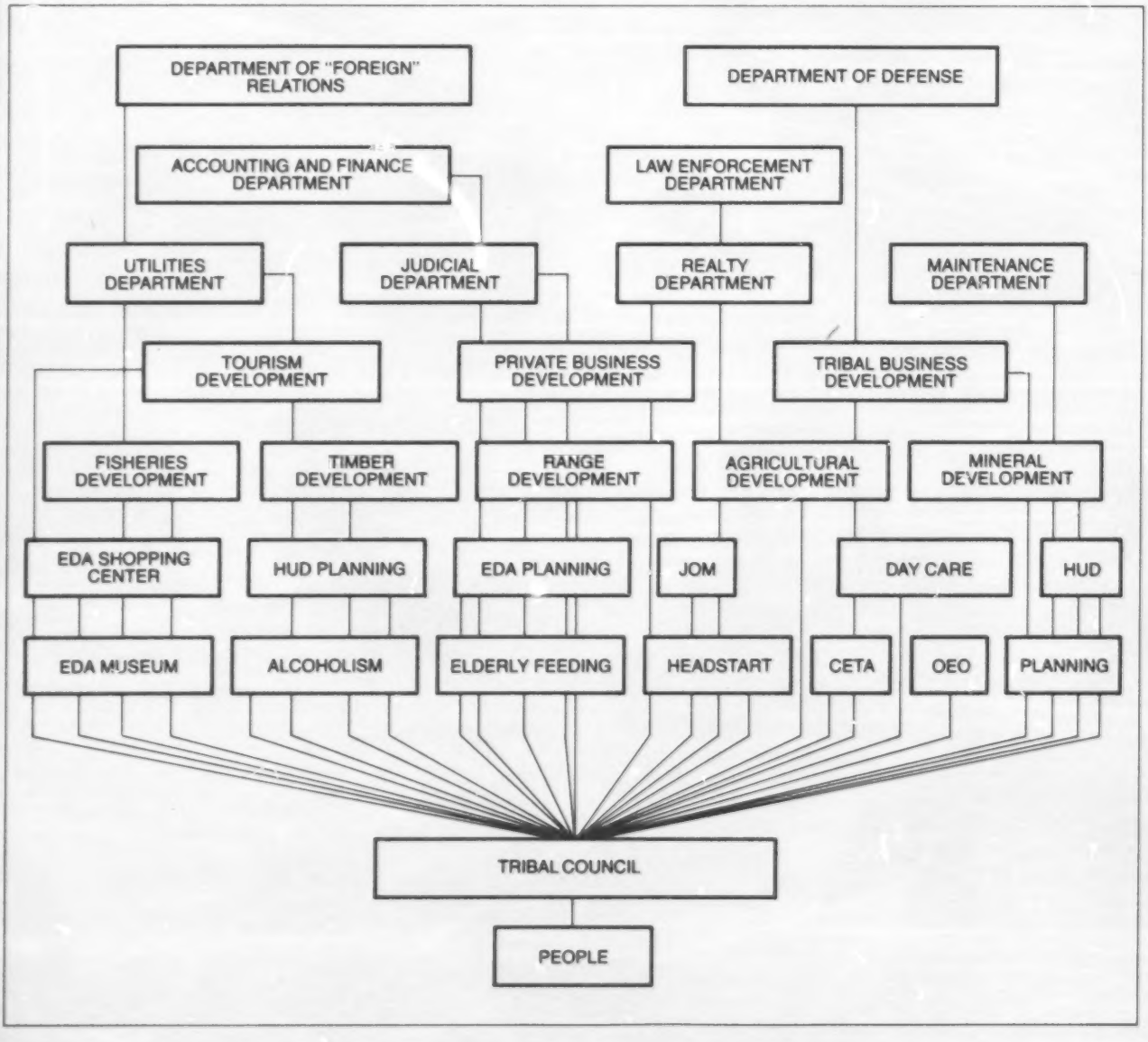
Or do they? To get an idea of what your structure looks like now, turn to the next page—



Note that the infrastructure (or support services) was the last to show up on the organizational chart. This was not necessarily lack of foresight on the tribe's part. there was no need for some of the administrative offices until the tribe had so many programs. Worse yet, there was no money. Please recognize also that we are not suggesting that tribes have tanks and guns and planes in their Defense Department--rather, an excellent legal defense system. The trick is to bring some kind of order out of the chaos. Conspicuous by its absence is staff support for the tribal council.

TOPSY TURVY:

A curious thing has now happened. In many tribes, the tribal employees make up the majority of the electorate. In some, the constituents of the various programs become voting blocs–housing or education programs, for instance. These voting blocs can influence an election or those who are up for election. Having voting blocs is not any different than any other system of government where the leadership is elected–it is just relatively new to the Indian community. It needs to be recognized as a fact. It could make your organizational chart look like this in terms of what is really happening.



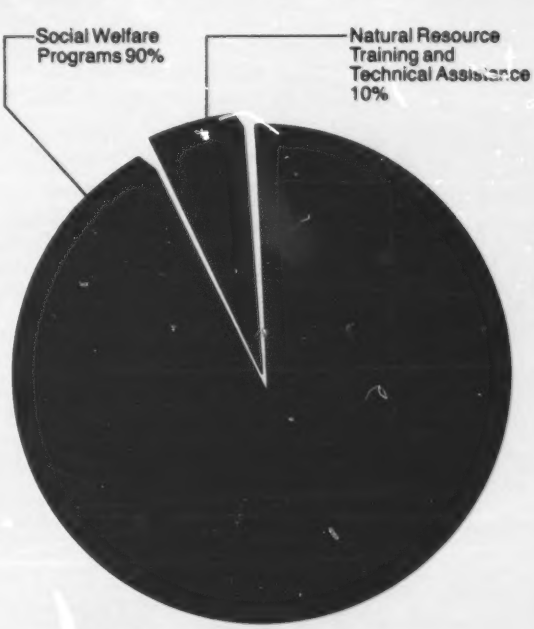
IN ORDER . . . TO PROMOTE THE GENERAL WELFARE . . .

The problems we've described and the organizational chart we've drawn sounds as if tribes are in utter chaos. Maybe so; maybe not. Perhaps chaos, like beauty, is in the eye of the beholder.

Our county government, for instance, is incomprehensible to me. Our county contains a major city bounded on two sides by Indian reservations, a large military installation, a federal research installation, an unicorporated village or two, etc. The jurisdictional questions are as complex as any in the country. It's an energy production area with traffic, pollution and growth problems. I don't see how they get anything done. But usually the only time I really get concerned about it is when the chug holes in the road swallow my little car or the pollution is so bad I can't see the mountains. Yet my county functions somehow and apparently fairly well. I read in the paper once in a while where they are having trouble with their CETA program or their HUD block grant or the Environmental Protection Agency. Now and then some citizen or citizens group gets after the Commissioners about something. There's an occasional firing that makes the news. It's about like any other local government.

Tribal governments may just appear to be chaotic to one unfamiliar with their operation–or they may truly be in chaos. Tribal governing systems are not usually questioned unless something goes wrong that affects someone negatively. It could be an individual or groups of individuals within the tribe, it could be troubles or inadequacies identified by the tribal council itself, or it could be a funding source who raises the questions. Usually, the question or questions raised will only deal with a part of the overall operation of the tribe. For instance, one federal agency funding a project doesn't really care if the whole system is functional, it cares about its particular project. There is often very little concern or thought given to how one project may impact on another or to the fact that a tribal council must deal with a whole gamut of programs. It is every tribal council member's responsibility to determine whether their administration is orderly or whether it is in a state of confusion.

Budget for Social Welfare Versus Resource Training



The lack of emphasis by the Federal Government on the development of human resources allows for the continued exploitation of natural resource development with the lack of tribal management development.

Tunnel vision is a luxury tribal councils cannot afford. They are charged with the responsibility for all their people and all their resources. Tribes must develop a holistic orderly approach to decision-making in order to promote their general welfare. That's what this project is all about.

AIO's MISSION

The mission that AIO choose to accept was to work with five tribes providing training and technical assistance on how to evaluate their efforts in economic development for the purpose of establishing their own system to facilitate sound and effective resource development. These would be tribes who had asked for our assistance previously, who would vary as to location, size, population, labor force, and resource development. Our agreement with the tribes and with the Economic Development Administration was that all tribal specific information would be held confidential to that particular tribe to be released or used only as that tribe saw fit. Based on our experience with those tribes, we were to develop a process for self-evaluation to be published for the use of other tribes.

Our intention was to begin the project by presenting seminars for tribal councils designed to accomplish the following objectives:

1. Introduce participants to problems and solutions faced and developed by other tribes, non-Federal units of government, and corporations within the United States as well as developing countries throughout the world, and teach participants how to apply that information to their resource development needs;
2. Offer alternatives in resource development concepts and management techniques;
3. Provide written materials that the participants can refer to for appropriate assistance from government agencies and private resource personnel;
4. Relate the concept of tribal governmental authority to natural resource development;
5. Provide information regarding financing or natural resource development efforts; and
6. Provide a framework for decision-making and problem solving with respect to tribal ownership, government rights, and natural resource development.

Then we were to undertake with the tribes a self-evaluation process assessing such factors as:

1. A review of past history.
   a. Relationship with the U.S. government–treaties, executive orders, etc.
   b. Tribal traditions with respect to making a living.
   c. Review economic development efforts in the past.

2. A review of internal structure.
   a. Traditional methods of government.
   b. Present form of government.
   c. Analyze strengths and weaknesses in relation to tribal control of resource development.

3. A cursory inventory of natural resources.
   a. Identify what is known based on present information.
   b. Indentify what needs to be known in order that a comprehensive inventory can be undertaken.
   c. Locate sources of assistance to complete a comprehensive inventory.

4. An inventory of human resources, including talent available on and off reservation, training needs, and additional technical assistance and expertise needed.

5. An assessment of tribal priorities and a random sampling of tribal members.

We were to document the evaluation process and publish it for use by other tribes as well as prepare an assessment of the entire training effort and its effectiveness with each tribe in terms of:

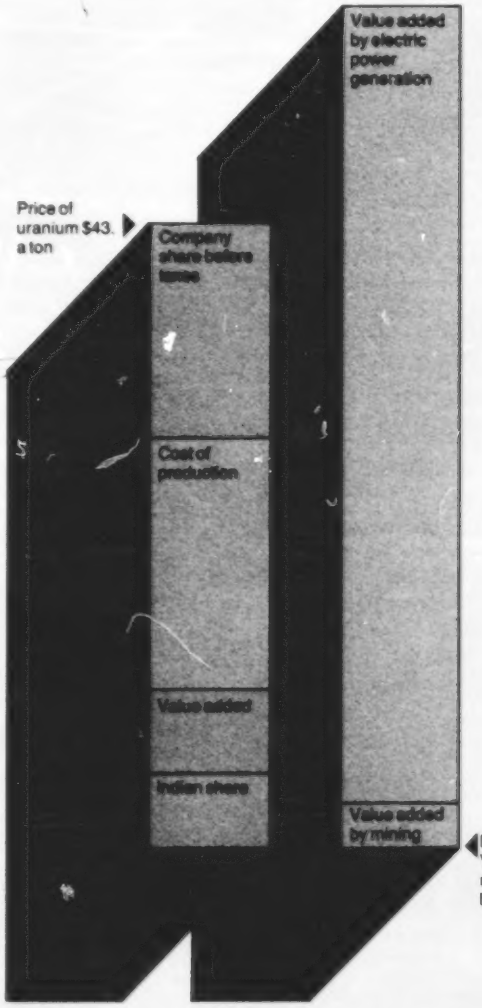
1. Creating a better understanding of the meaning of economic development and its total impact on the tribal community,
2. Making more effective use of tribal planning personnel and funds,
3. Implementing an informed decision-making process, and
4. Establishing an economic climate which will generate employment.

THE BEGINNING

We began an initial round of correspondence and then meetings with tribal councils. We rather quickly discovered that we had bitten off more than we could chew. It was clear that it was going to be a much slower process than we had anticipated and that we would need more time with each tribe. The need for staff members with special inter-personal skills was reinforced. They were not easy to find. We realized that re-evaluation of our original work plan was going to be the rule rather than the exception throughout the project. We decided that three tribes would be the maximum we could work with. This made it even more imperative that the tribes selected include those with a diverse set of circumstances, resources, and locations.

Among the three tribes there was a potential for development of natural resources, including agriculture, hunting, fishing, energy and non-energy minerals, timber, lakes, rivers, coastal areas, etc. One tribe was in the Southwest, one in the Northwest, and one in the Great Plains. In one tribe, almost a hundred percent of the people on the reservation spoke the tribal language and practiced the traditional religion which was an integral part of the governing system. In the other two, a small percentage of the people spoke their tribal language. One tribe had been moved from one reservation to another more than once. One was on an Interstate Highway; two had state highways running through their main villages. One was surrounded by border towns; one was located two hours from the closest shopping center of any size; the other was located adjacent to massive mining and milling activity, and its accompanying boom town. One tribe had significant tribal income. The other two didn't. The size of the land base varied from less than fifty thousand acres to more than a hundred fifty thousand acres. One reservation was allotted out and had a significant percentage of the land within reservation boundaries owned by non-Indians. On one reservation, there was land owned by individual tribal members, land assignment and tribally owned land. On the other, all land was tribally owned and had only land use assignments. In all three, the chairman or governor was elected or selected every year. Size of councils varied from five members to thirty members. One tribe paid its council members full time. Another had most of its council members as program directors. The other council served without pay. They were very different.

Natural Resouces—Indians' share


Value added by electric power generation
Price of uranium $43. a ton
Company share before taxes
Cost of production
Value added
Indian share
Value added by mining
Bottom line: Value received by Indians

The typical Indian share of the value of uranium mined from their land is shown in Figure 4. As all energy resource production the Indians receive pitifully meager portion of their resource wealth.

Value received by Indians for their coal and value added by mining and processing the coal—by non-Indians

TAKING THE FIRST STEP

Ironically, the first step in evaluating your tribal decision-making process is the decision to do it. How a tribe comes to that decision is a lesson in the process itself. It could be for any number of reasons. A tribe might be under severe pressure from one or a number of government agencies dissatisfied with the management of the programs they are funding. The tribe might be going through severe internal problems with constant disagreement over what is in the best interests of the tribe. The three tribes that we worked with during this project had one or more of their tribal decision-makers attend one or more of our regional seminars on Indian Control of Indian Resource Development and had particular concerns about the development of one or more of their natural resources. They were concerned about how the decisions they were making and were going to have to make would impact on their tribe.

It should be emphasized that whatever the motivation is for undertaking a self-evaluation, the decision itself is not an easy one. The word "evaluation" is a scare word. There is a natural and very human fear that any evaluation is going to make you look bad. Council members are people, and people don't want to look bad—not to others and least of all to themselves. There is a fear that anything negative will reflect on them and it will make it hard on them in the next election or the next time the tribe goes after funding for a new project. Tribal employees fear that the Council will use any evaluation against them personally. They fear the Council. The Council controls their jobs. The Council fears the employees. They often make up the majority of the electorate. Everybody fears change though most profess to want change. Everybody fears that power questioned is power in danger of being taken away. Everybody fears the loss of power. Nobody believes that an outsider can possibly understand enough about their particular circumstances to accurately evaluate anything much less be helpful. Nobody really trusts an insider to make judgments unbiased by their personal feelings and priorities. Even though the purpose of this project was to examine the decision-making process of the tribe, it was obviously going to affect the decisions the tribe would make in the future. In order to evaluate the decision-making process it would be necessary to examine how decisions had been made in the past and how they were being made now.

In our initial meetings with the tribal councils we discussed the kinds of information we would need and how we would collect it. We started with this framework:

A. A review of past history

1. Relationship with the United States government—treaty, executive order, etc.
   a. Is the tribe on ancestral land or has it been relocated?
   b. Has its jurisdiction been eroded by legislation such as P.L. 280 or by "creeping jurisdiction" that is, the assumption of jurisdiction by states or other governmental entities over reservations.
   c. Status of ownership of the land. Is it allotted land or tribally held? Are there non-Indians living on the reservation? Is it a checkerboard situation? How much is leased to non-tribal members? What are the heirship problems?
2. Tribal traditions—how have tribal members traditionally made a living?
3. A review of economic development efforts in the past:
   a. Independent efforts or non-government funded programs—what worked, what didn't and why.
   b. Government programs—what worked, what didn't and why.

B. A review of internal structure

1. Traditional method of government
2. Present form of government
   a. Constitution—council make-up, terms of office, election, decision-making process.
   b. Codes—law and order, environmental, land use, taxation, etc.
3. Analyze strengths and weaknesses and their relationship to tribal control of resource development

DATA COLLECTION, TRAINING, AND TECHNICAL ASSISTANCE

C. A cursory inventory of natural resources

1. Identify what is known based on present information
2. Identify what needs to be known in order that a comprehensive inventory can be undertaken
3. Locate sources of assistance to complete a comprehensive inventory

D. An inventory of human resources

1. A catalog of talent available on the reservation
2. A catalog of talent available from tribal members living off the reservation
3. A needs assessment based on the above information—what kinds of economic development are needed to utilize talent available
4. Assess additional training that would be required to meet the needs of the people and staff economic enterprises needed
5. Assess additional technical assistance and expertise needed

E. An assessment of tribal priorities and a random sampling of tribal members

We had intended to schedule and present seminars as our initial effort in training and technical assistance. We would bring in outside expertise in natural and human resource development in various areas according to the needs of the tribe. In our initial meetings with tribal councils, it became clear that this was not the best approach. We decided instead to take a more informal approach, meeting with council members and other decision-makers individually and in small groups. Rather than beginning with a formal seminar, we would undertake data collection, training and technical assistance simultaneously. In the process of collecting data, we would be able to respond immediately to questions and concerns raised by those from whom the data was to be collected.

We initiated the initial data collection process differently with each tribe.

Tribe A. We set up individual interviews with program managers or division heads, furnishing them no prior written questions to respond to.

In the interview we asked the following:

1. Describe your program? Goals, objectives, past history.
2. Describe the services you provide.
3. How do you provide the services? Do the people understand the program?
4. Who do you provide the services to?
5. What are your major problems in carrying out your program?
6. What is your budget? Who approves the budget? Who monitors the budget?
7. How does your program relate to other tribal programs?
8. How does your program fit into the planning process of the tribe? Who coordinates short and long range planning? Who is responsible for the overall development of the tribe?
9. Who do you report to?
10. How does the Council relate to your project?
11. What changes would you make in your program if you could do anything you wanted to?
12. What is your opinion of other tribal programs?
13. What do you see as the most pressing problem of the tribe?
14. What other tribal responsibilities do you have?

EVALUATION CAN BE FRIGHTENING-EVEN WHEN YOU DO IT YOURSELF

15. Are staff members qualified? If not, what type of skills or training is needed?
16. Are salaries and fringe benefits adequate?
17. Is there enough—and if not, what would it take?
18. Who administers program?
19. Who does the program ultimately answer to?
20. Who hires and fires personnel?

Tribe B. We assisted Council members in preparing a list of questions which were then distributed to Department Heads or Division Directors for distribution to their employees as well as to various individuals that we came in contact with. These questions were designed to determine what individuals knew about their tribe, their tribal government, their reservation, the economy, the tribal administration, their feelings about members of the tribe who lived off reservation, their goals for the tribe and for themselves as individuals, their shopping habits, their most pressing needs, their perceptions of the most pressing needs of the tribe. Those choosing to respond were asked not to identify themselves and promised that the individual surveys would be seen only by our staff who would summarize the answers. The summaries only would be furnished to the Council.

This tribe was going through an internal review of their position descriptions for individual employees. AIO staff participated in that review along with Council members and the Personnel Director.

We also scheduled individual interviews with the Department Heads where we used the same basic list of questions as we did with Tribe A.

Tribe C. With Tribe C, we distributed the list of program questions used with Tribes A and B prior to our first contact with the Department Heads and Division Directors. They were asked to prepare answers and discuss them with us during our individual visits. The Council Chairman then arranged for a group meeting of their programs. Prior to that meeting, the tribe arranged for us to fly over the reservation and surrounding area in order to give us a physical perspective of the layout. After the briefing, we drove around the reservation, visiting the various offices, looking at the various activities and projects. Later, we visited with individual directors.

One of our first jobs was to allay the fears of tribal decision-makers and program staff. The mere fact that there will be data collected and an evaluation—even though it is to be self-evaluation—cause the "territorial imperative" to surface immediately. The "survival tendency" is to justify and avoid criticism both for themselves as individuals and for their program at all costs. It manifests itself in the attitude of "We've seen consultants come and go. We aren't telling you anything and anything you tell us, we'll shoot down because you won't have the proper information. You don't know how things *really* are."

One approach is to sit down in a private informal meeting with individual council members, program directors, and any others who wanted to talk to us or who we identified as being a source of information in the process of talking with others. We talked. And we talked. And we talked about almost anything, but the details of their particular program until that person eased up enough to trust us—or made the judgment that we were not to be trusted—so that we could get down to business. It was very important for our staff to develop the art of listening. There is a very thin line between being a truly sensitive and interested listener and being a phoney. Being available and responsive was important to the success of our assistance. For instance, we sometimes sat in meetings with people one after the other from 8:00 to 5:30, to find the person we met with at 8:30 or 9:00 and who may have been very difficult to talk to, waiting to ask if we could talk for a few minutes over a cup of coffee or could they come by the place we were staying after dinner.

When we were on site, we attended parties, weddings, funerals, committee meetings – anything we were invited to and felt natural and comfortable doing – regardless of whether the person who invited us was five or eighty-five. We learned a lot about a day-care center, for instance, from talking to the HEW director and the teachers. We learned a great deal more from the five year old who brought us crayolaed pictures and asked us to "come see my school tomorrow." Standing up in front of a group

of young men working in the forests saying "You should be controlling the management of your own forests" has some effect on some people. Sitting with two or three of these same young men later, listening to their fears of terminaton if the tribe contracts to run their own programs, including their own forests, is a much easier time to say, "Hey, termination is a very real threat. But suppose you let your timber operation continue the way it is now. You won't have any forests left. Are you any more or less terminated personally if you can't make a living on the reservation? And how about little Tommy? So he's only two now. You've told me that you want Tommy to be able to live here all his life if he wants to. What if there's nothing left for him?" Then you can get serious about what's good and what's bad about the present system. We are not in a position then of saying, "This is the way you do it." We can say, "Have you tried..." or "Have you thought of... or, "What if..." or, "One tribe I know of has..." or, "I know this guy who's really good at... Should we see if we can get him to come for a few days?" Or, "No, We'll see what we can find out."

The planning function is key to the entire decision-making process of any tribe. Whether the planners or the council think so or not, they do have a tremendous influence over the decisions the tribal council makes. Why planners? Because they control the information the council has to act on. Yet the planning function and the planners role in the tribal administration is the most misunderstood and misused possibly in the entire management of tribal affairs. The following dialogue is not a transcription of one interview but a combination of questions, answers, attitudes, and misconceptions that we picked up in the process of trying to understand how planning is handled on a reservation:

AIO: You have quite an impressive organizational chart. I didn't realize you had so many employees.

TC: We have about a hundred and eighty now. Five years ago, we just had one and a secretary –*

AIO: How many people live on the reservation?

TC: I guess around a thousand, maybe twelve hundred. Lots of people are coming back now.

AIO: With things changing so fast how do you handle long range planning?

TC: We have an EDA planner and a HUD planner.

AIO: What kinds of things do your planners do?

TC: Right now, they are working on updating our OEPD. That grant is up in January. Then they are working on a proposal to get refunded next year.

AIO: That's your Overall Economic Development Plan? May we have a copy of it?

TC: Sure, if we can find it. But, it's really kind of outdated and not really accurate. The statistics are not too good and we don't have very good maps on the land because the Bureau hasn't surveyed very much of our land. I'll make an appointment with the planner for you.

AIO: How do you find out from the people what they would like to see done on the reservation?

TC: Oh, we have a planning committee.

**Tribal Council*

AIO: *Who is on the committee?*

TC: *Well, there's – uh, no, he died last year. And, uh, well, we'll get you the list, but I don't really think it's very up to date.*

AIO: *How often do they meet?*

TC: *I think every month, but you can find out all that from the planners.*

AIO: *Do they report to the Council?*

TC: *They're supposed to.*

AIO: *Who do the planners report to?*

TC: *Well, to the Council.*

AIO: *Who hires and fires?*

TC: *The Executive Director and the Personnel Officer interviews them, then the Council approves them.*

AIO: *Are your planners tribal members?*

TC: *Two of our boys are associate planners*

AIO: *How long has your planner been working for you?*

TC: *Well, I think this one's been here about two months. We had to get rid of the last one.*

AIO: *What kind of training does your planner have?*

TC: *He went to school over at U. I think he's got his degree.*

AIO: *How about your associate planners?*

TC: *I don't know if George went to college or not. He was over someplace else until that grant ran out – and Tom's going to U when this grant runs out, I think. If he don't get married. Him and the Jones girl are getting pretty thick.*

AIO: *How do you go about preparing your OEDP?*

AIO: *Well, we have this grant and we have a list of things that have to go in it so the planners just get it together.*

AIO: *Do your planners attend Council meetings?*

AIO: *They're supposed to. They have to if they've got a proposal we've got to approve.*

AIO: *When they bring a proposal to the Council, dos it have to have been reviewed by all your department heads or the planning committee?*

TC: *The Planning Committee's supposed to. Just the department head for the department it's for has to sign it.*

AIO: *Now, say you have a proposal for a shopping center, how would that be handled?*

TC: *The Planners would write the proposal and then when it was funded (or maybe when it was built) they would turn it over to Buildings and Grounds. By the way, we're breaking ground on ours next week.*

AIO: *Who all would they talk to in the process?*

TC: *EDA and BIA and probably IHS. And I guess the Committee.*

AIO: *Which department heads?*

TC: *Well, maybe Buildings and Grounds and Realty to find out where it could be built.*

AIO: *How would they decide what kind of business space is needed?*

TC: *Well, they usually know how much money we can get so they just figure it out.*

AIO: *How would they determine the types of businesses that could go in the space?*

TC: *We'd hire that consultant who put that one together over at Wanabe that got funded.*

AIO: *Who would run the businesses and how would they be funded?*

TC: *Well, I guess whoever wanted to and could get credit.*

AIO: *Who would be responsible for assisting those people in getting credit?*

TC: *That would be the Credit Office.*

AIO: *The Tribe's?*

TC: *No, we got this guy from the Agency that comes over to Angloton every two weeks. Usually. We're trying to get one assigned out here.*

AIO: *Do the Planners talk to the Credit Office before the proposal is submitted?*

TC: *No. they don't have anything to do with it until the building's built and somebody wants a loan.*

AIO: *Do the Planners talk to Law and Order before the proposal is submitted?*

TC: *No. Why should they?*

AIO: *Well, I u as just wondering if they will be responsible for patrolling, security, parking control, that sort of thing.*

TC: *While it's being built, they'll have to watch it, I guess, to see nothing's stolen or torn up. Then they'll—yeah, they'll be responsible for police work, but not until it's built. Course, there's no road down to it yet. And when we get those old buildings torn down across the street, I think we'll put a parking lot in—*

AIO: *No road?*

TC: *As soon as the BIA gets their new appropriation, I think they'll do it.*

AIO: *In the mean time?*

TC: *Well, we've got a grader and we can run a little road down there. It'll be okay except when it rains.*

AIO: *How often does it rain?*

TC: *About four days a week. Sometimes more, sometimes it's nearly all week.*

AIO: *Parking?*

TC: *When those old buildings are torn down I think we'll get some money for that pretty soon.*

AIO: *The cost is not included in the proposal?*

TC: *Well, there was only so much money available—looks like we'll have an overrun as it is.*

AIO: *Is Law and Order going to have to have any more money to provide protection for the shopping center?*

TC: *They're pretty shorthanded. And you know LEAA got their funding cut. I don't know what BIA's gonna do.*

AIO: *Who will handle the money for the building?*

TC: *The Comptroller.*

AIO: *Did the Comptroller review the proposal?*

TC: *They'll get a copy when it's funded.*

AIO: *Will the Comptroller have any costs to their office for handling the money?*

TC: *I don't guess so.*

AIO: *Who will keep the books, write the checks, the financial reports?*

TC: *The bookkeepers, I guess.*

AIO: *Can they do that with their present staff?*

TC: *They're pretty shorthanded—*

etc...etc...etc...

PO*: *I heard y'all were coming. What did you want?*

AIO: *The Council has asked us to work with the Tribe through a self-evaluation.*

PO: *We read the letter. I suppose you want to see the OEDP?*

AIO: *Yes, and any other documents you've put together. Demographic data, maps, anything you think would be helpful.*

PO: *We're updating the OEDP. I'll give you the old one, but you'll see that some things have already been done and some of the statistics are not very reliable.*

AIO: *Why not, do you think?*

PO: *Well, I guess the report was due—and I wasn't here then. Maybe that's just the way the Council wanted it.*

AIO: *Who do you work for?*

PO: *The Council.*

AIO: *On a daily basis?*

PO: *Well, I'm not sure I know what you mean.*

AIO: *Say, you wanted to buy office supplies or take annual leave or go on travel.*

PO: *I can make purchases if I've got the money in my grant. I just send a purchase order to the Comptroller. If I want to take annual leave, I ask the Executive Director. If I want to go on travel, I have to go to the Executive Director and two Council members.*

*Planning Office

AIO: Any two?

PO: Yes.

AIO: Where do you fit on the organizational chart?

PO: The one in the OEDP says we fit out to the side of the Council with a direct line.

AIO: As advisors?

PO: I guess so.

AIO: How do you spend the majority of your time?

PO: Writing proposals.

AIO: Do you write all the proposals for the Tribe?

PO: No. Some of the departments write their own. We mostly just write proposals for construction and stuff like that.

AIO: When other departments write their proposals, do they ask you to help or do you review and comment on them?

PO: Sometimes. They might use the demographic data we have.

AIO: Oh, have you done a demographic survey?

PO: The Tribe got a grant to hire Dollar, Dollar, and Dollar to do it for them two or three years ago.

AIO: Could we have a copy?

PO: I'll see if we can find it. Sid, didn't you work on that?

AIO: Do you attend Council meetings?

PO: If I know about them, or if somebody tells me to be there.

AIO: Who gives you instructions on the proposals you are to prepare?

PO: Different ones. The OEDP has some priorities in it. But usually one of the Council members will think of something or we'll see a notice in the Federal Register where some program is available. Then I'll talk to one of the Council members and see if they want us to write it up.

AIO: If you wanted to do a comprehensive long range plan for the Tribe, what do you think should go into it?

PO: We should take a look at the businesses on the reservation, the people, the housing, all that kind of thing. But we can't really do that, you know. We don't even know who the land belongs to in a lot of cases.

AIO: Are you putting that information together?

PO: I think Realty is working on that. But BIA's got to do a lot of surveying.

AIO: Who decides what is going to be surveyed first?

PO: Your guess is as good as mine. I go to Realty when we're writing up a proposal and tell them what we're thinking of. We talk about the best place and then see what's available. If we have to have a survey, then Realty tries to get one from BIA. Sometimes that takes a long time. But if the Chairman wants to push an assignment through for his son-in-law, they get right over here.

AIO: Why the difference?

PO: Well, the Chairman goes to D.C. a lot, and I guess they just don't like the hassle. They want to keep him happy.

AIO: But for the Tribe–

PO: Yeah, well, it's a lot easier for his son-in-law to get his attention than it is for me.

AIO: Back to comprehensive planning. Do you have an inventory of natural resources–say, your coal or timber or gravel?

PO: We don't have any minerals that we know of except the gravel pit. And the timber, but Forestry takes care of that.

AIO: How do people make a living here?

PO: Most of them work for the Tribe, or the lumber companies, or fish. Some have their own boats.

AIO: When you are developing a housing project and deciding on a location, do you discuss it with Forestry?

PO: No, they do their own stuff. We don't get into that. The BIA Forester does all that.

AIO: Suppose the area you've selected for housing is in the forested area, or close to it. Or if a certain plot will be cut, doesn't that affect drainage and, certainly, beauty? Or what if they've planned a logging road through this area where there will be a lot of kids playing!

PO: *Well, yeah, but—well, I never thought of that.*

AIO: *I hear the tribe is thinking about a tribal farm?*

PO: *That's what I heard—but the land won't be available for a while, maybe next year.*

AIO: *How are you involved in the planning?*

PO: *We've asked BIA to let us know when the leases are coming up.*

AIO: *Do you have land use codes?*

PO: *No.*

AIO: *Environmental codes?*

PO: *No. We do have a business tax code, but I don't know too much about it.*

AIO: *Do you feel that you can use your full talents as a planner in your present job?*

PO: *I came here really believing that because it was a relatively small community, where all the people really cared about the kind of community they live in, it would be exciting and challenging and I could really do good things for people.*

AIO: *And now?*

PO: *Gee, I don't know. It's like they just hired me, sat me down in a room and said, "Okay, you're a planner, plan." Only when I try to do that—really think in terms of comprehensive planning like you've talked about—forestry, agriculture, and everything, I get told, "Don't worry about that, they'll do that. You write the proposal for this, that or the other." I just don't know what I'm supposed to be doing anymore. And the politics—they just don't teach us that in school.*

AIO: *Have you ever tried talking to anybody on the Council about this?*

PO: *Not really. Oh, I've tried, but I just don't seem to be able to get through.*

AIO: *Do you think other planners—urban planners, say, over at Whittonville—have to deal with these same kind of problems?*

PO: *Well, my friend was the planner over there, but he got fired the other day because they got a new city manager. The old city manager was gung-ho on growth and the new one is for slowing down growth and when he saw the plans—well, he just fired him. I hear he has an old college buddy he wants to give the job to. The awful part is my friend had just about finalized a grant for a big public works project, now this new guy will get the credit—*

AIO: *In other words, it isn't too different from what tribal planners have to deal with?*

PO: *Except that this guy grew up in that town. His family has lived there forever—active in local politics and he really had an understanding of the town. This new guy is an outsider. The City Council just doesn't understand what a planner is supposed to do.*

AIO: *Where are you from?*

PO: *I grew up about a hundred miles from here—okay, I hear you. I never really thought about it like that—I guess it's not so different. But I thought it would be. I thought if I came here with my degree, I would be able to really plan without politics. Besides I don't think you understand—*

AIO: *Why did you think there would not be politics in an Indian tribe?*

PO: *Well, you know, the history books—*

AIO: *You didn't understand that tribes have governments?*

PO: *Well, yes. Sure. But I guess I had a pretty romantic notion about the environment and that Indians weren't materialistic and things like that.*

AIO: *Nobody works under ideal circumstances. And we all think our own particular circumstances are worse than anybody else's.*

PO: *Hey, listen, I've got to finish this proposal, but could we get together after work? Maybe I could take you out to the new fisheries site—I want to look at it myself—then we could stop by Barfys and have a beer, and talk some more. I've got an idea—*

AIO: Sure. I'm going over to Forestry now, then I meet with some other departments in the morning so that would really be helpful to me. What do you think about me suggesting to them that we all get together while I'm, here?

PO: That would be great. I don't think they'll do it, but I'd sure like it.

etc...etc...etc...

I want to point out again that this is a typical exchange and though the particular resources mentioned may seem to identify the tribe, they do not. I could have used any example—any tribe, any department, any time and the responses would be largely the same.

I could write dialogue as we moved from Department to Department in any tribe and be able to describe the process much more succinctly and with a better feeling for the mechanics of the self-evaluation process far more effectively than I can in paragraphs of prose. I would also like to point out that openness and exchange often did not come about in the first conversation. It might have on the third, or sixth, or whatever, and sometimes it never happened. We steered gently and we learned from them as they learned from us. Many of the people we worked with in these sessions would say "no" if they were asked if we had provided training and technical assistance. Yet, when we go back and see changes being made that we've suggested, or perhaps an idea that was discussed, beginning to take form out of their minds and activities with a new twist all their own, we feel that we made a contribution. After all, the purpose of this project is tribal self-evaluation.

At the same time, we were collecting information on the present, we began to look for historical data—unfortunately most written historical data on tribes is not very accurate. Some tribes are alredy putting their tribal histories together. We collected copies of the treaties, constitutions, codes, written procedures, planning documents, organizational charts, etc.

We also assembled data on the natural resources, economic development projects and tribal programs regardless of their source of funding.

We brought in outside consultants with expertise in areas of particular concern to work directly with the tribes as a part of the training process. We also brought in representatives of government agencies who had not previously worked with the tribes to address special problems. We also did research and prepared reports for the tribes on matters of special concern.

All three tribes expressed interest in receiving training on investment management. We arranged for them to go to New York where Equitable Life Assurance Society of the United States conducted briefings for tribal representatives. A report from this briefing is attached as Appendix IV—as an example of the kind of information we provided.

We studied the information we collected, consulted with political scientists and sociologists with expertise in governmental organization, re-read the transcripts of seminars on Indian Control of Indian Resource Development, talked with decision-makers in other tribes about their tribal structures and problems that have to deal with and struggled with preparation for presentations to the tribes.

FINISHING UP

As we promised, the information we prepared for the individual tribes has been furnished only to them. It is difficult—impossible, in fact—to say that this project, or this process is finished. Self evaluation, if it is meaningful and real must continue as a basic part of the decision-making structure. Attached as Appendices I, II and III are indices of the materials we put together for the three tribes. There are similarities and there are major differences. We did not assume that we could tell any one of the tribes whether they should reorganize or how they should go about it. Those are their decisions. What we have done is point out that there are five very simple questions that should be asked every time they are called upon to make a decision. Those questions are:

Who Are We?
What is our history? How did we come to be a tribe? What is the origin of our present form of government? What is the purpose of this government, this tribe?

Where Are We?
What are our human resources? What are our natural resources? What have we done in the past that brought us to where we are this day?

What Do We Really Want to Do?
Are we meeting the needs of our people? Have we decided what those needs really are? Have we established the priorities that we must establish? Are we thinking of today only or are we thinking of tomorrow and next year and next century?

Why Do We Want To Do It This Way?
Is this the only way? Are there other ways? What are the trade offs? Does this fit our priorities? Does it mesh with the other things we are doing now?

How Do We Get It Done?
What kind of talent, expertise and resources will this require both directly and indirectly? Where will we find those things? Where and how much are we willing to compromise?

Questions are always simple. It is the answers that are hard. For tribal decision-makers with the future of their people in their hands, there are no easy answers.

OBSERVATIONS AND RECOMMENDATIONS

Based on our work with Tribes A, B and C and with other tribes, several common problems have revealed themselves. Most of these problems have been experienced by states and cities and cannot be generally ascribed as Indian failures. Rather, they are common problems of government units trying to improve conditions for their people in a piece-meal fashion. Indian nations' problems are compounded by their intricate relationship with the Federal government which must be maintained, refined and defined as they do everything else. In spite of the seemingly overwhelming problems tribes face, they generally have done a lot better job than other governmental entities, considering their limited experience and dependence on outside support.

Common Problems:

1. Lack of Long Range Planning and Continuity. When we first began this project, our immediate impulse was to blame all the problems that tribes are facing on the lack of long range planning and continuity in the government. This turned out to be a correct analysis except that we were thinking of it only as a tribal failing.

It is a tribal failing but it is also a failing of the federal government. The tribes are dependent on the whims of the Congress and the Administration, neither of which do long range planning themselves, though both expect it from other units of government. The Congress changes. The Administration changes. With those changes come changed priorities. As a result, the best laid plans of tribes and states and counties and cities often go awry.

Tribes have a tendency to use planning as a means of getting grants rather than as a technique of deciding what grants are needed, or what steps should be taken in the orderly development of resources. The Federal system encourages rather than discourages this practice. Government agencies are faced with the same dilemma every year at appropriations time—the Administration requires a justified budget which must be prepared in view of the dollar limitations the traffic will bear, the popularity of their programs and their political constituency. The Congress requires that the Administration justify it all over again to them. They often disagree on priorities and the Congress will

Increase of Federal Programs

Federal programs have caused a virtual explosion in the requirements for expertise, talent, and management systems. Many tribes have simply become extensions of the Federal government.

send the Administration programs to administer and carry through that they don't even want. Their choice--the President's--is to veto the entire program the Congress sends up for signature in order to get rid of the ones he doesn't want and in the process throw out all the programs he does want. Eventually the process works its way to the tribal level where a tribe may have a choice of taking a program from a federal agency that it doesn't particularly want in order to stay in the good graces of an agency that may next year have something it wants. Or it just may be the only money around for anything. Like any other good politician, tribal decision-makers behave like good politicans--tribes are much like "wild cat" oil explorers who bring in gushers. It's a great feeling to watch that oil spraying high up into the air at first--you're rich! Then you realize that it doesn't mean any wealth to you as long as it's spraying up into the air. All it is doing is getting all over everything polluting your air and water--and making you oily and unrecognizable. Before the well means anything it must be brought under control and put into orderly production. You have to decide how much you want to pump out, what you want to use it for and what you are going to do with the money. You have to recognize that one spark can blow you to smithereens. It is very difficult, to realize, as you watch your geyser rising to the sky, that some day the oil will be all gone and all you'll have left is a mess to clean up.

Recommendation:
There is no one answer to this delemma. Like death and taxes, it is inevitable. Like the poor, it will be with us always. Realizing that it is a fact of life may help both the Federal and Tribal governments deal with it in a more dignified and realistic manner.

2. The Boom Town Syndrome: Every tribe--not just the ones we are working with--is experiencing what we have labeled the "boom town" syndrome. With a few exceptions, tribes have only been in the business of tribal government for about five years, at the most, ten years. That is to say, they have been administering their own grants, hiring their own employees, writing their own checks, administering their own "formal" court systems and the like for a very short period compared to the other governmental entities in this country.

Yet they must perform all the functions of government that any city, country, state or the federal government does. Further they must perform in a way to satisfy their economic needs without exploitation and protect the culture and environment of their own people; all this and conform to federal government expectation and regulation at the same time. At the same time, they have to combat constant assaults on their resources, rights and tribal powers.

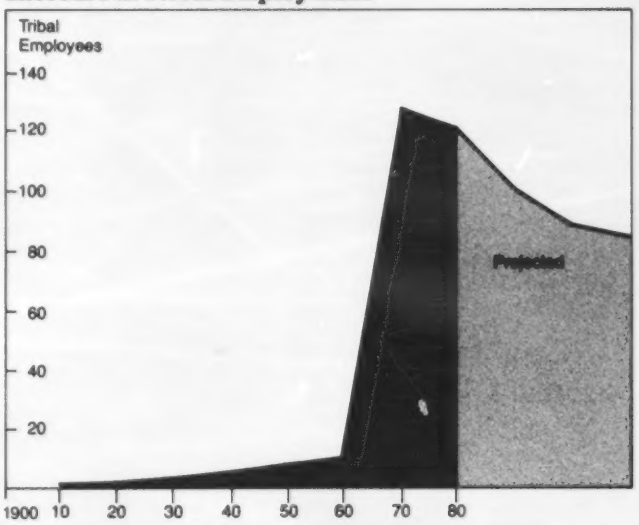
Mostly, tribal governments must work with agencies and individuals who do not recognize or allow for the short time they have had to develop their administrative structures.

A part of the "boom town" syndrome is the dichotomy created in the economy as a result of government and industrial jobs. There is also an increased population on the reservation due to returning tribal members coming back to take advantage of new opportunities as well as outsiders with special skills needed by the tribe. The shortage of housing is more acute. One tribe will literally change the complexion of their reservation with a single project which will bring fifty outside families onto the reservation which will amount to about one fourth of the population. Another tribe is investing a major portion of its own resources in a tourist attraction that will bring several thousand tourists into the middle of the living area of the reservation without provisions for taking economic advantage of the visitors or considering the impact on the living habits of the community.

Recommendation:
The "boom town" syndrome must be recognized by both the tribes and the federal agencies. The "boom" won't last forever. Tribes must reinvest their new found riches in their own human and natural resources. Tribes must begin to develop their own internal redistribution systems. Federal agencies must be conscious of overloading tribal systems. Joint funding arrangements or cooperative agreements will be very beneficial to both the federal agencies and the tribes. The tribes will have a better chance to design holistic programs that will be more productive and less bogged down by many different administrative restraints.

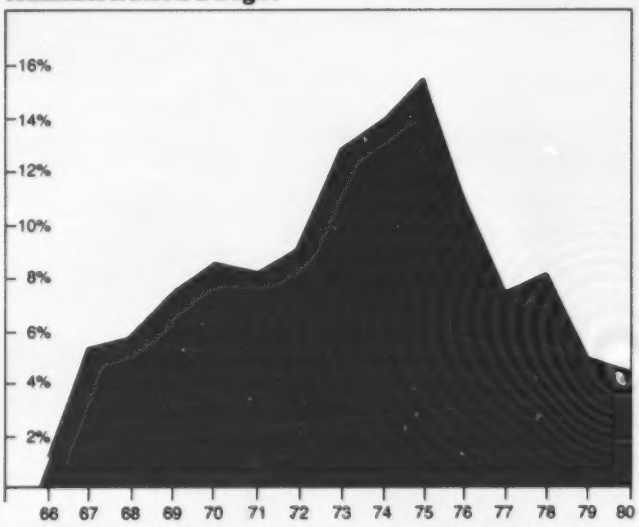
3. Tribes are in danger of being bankrupted by the cost of administering the federal social programs they have taken on in the name of self-determination. Most tribes have become extensions of the federal government and have become program administrators rather than governing bodies. The budgeting process is viewed narrowly—that is, program managers are preparing budgets only for their programs and were restricting themselves to allowable costs under the regulations for the particular agencies they sought funding from.

Increase in Tribal Employment



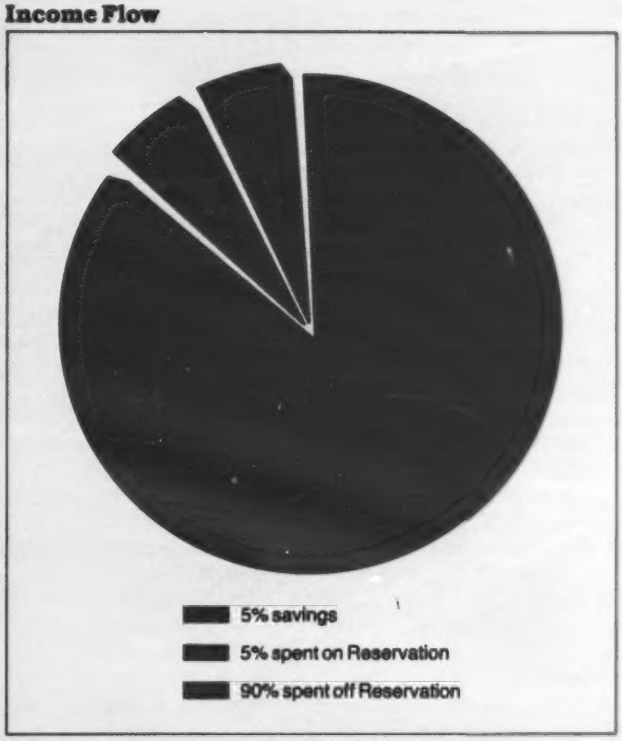
The influx of Federal programs now administered by the tribes has created a mushroom of tribal employment and a new elite on the reservation, and unanticipated problems. Some tribes in just 4—5 years have gone from 5 tribal employees to 120-140

Indian % of Economic Development Administration Budget



Problems associated with the boom town syndrome add to stresses on individuals and families—which are showing up in increasing family problems.

Income Flow



Leakage of money—reservation dollars become part of the economic system of those living in the surrounding non-Indian communities. This is contrary to the old economic systems based on redistribution and sharing. There is no economic system, only an economic pass-through.

The costs of council supervision, for instance, are often not recognized. This is particularly true in the case of councils who do not pay their council members. This results in not knowing the true costs of a program. Government agencies often discourage this kind of true budgeting and reporting. They like to be able to report to the Office of Management and Budget and to the Congress that a smaller amount of dollars produces a large number of results. Few tribes have systems for documenting these overhead costs. When tribes began to contract for Bureau of Indian Affairs and Indian Health Service programs they were severly hurt by that failure. Overhead rates were based on the amounts of money being spent by the tribe on its central government. Tribes who had incomes were able to document much higher overhead rates than tribes who had no income; thus those who had more got more.

Some projects will impact on other programs and unless those programs are aware that they will have additional demands, then they will come up short. For instance, a new museum might bring many additional tourists to a reservation. Providing the operational dollars for the museum is just one of the costs and probably the only one included in the budget for the museum. Yet is will cause a need for increased services from the police courts, garbage clean-up, building maintenance, utilities, etc. It may cause criminal or civil jurisdiction problems which, if not addressed ahead of time, might cause expensive court problems. The traffic may cause a need for children's playgrounds. If that tribe happens to be a timber tribe, then the increased number of tourists might interfere with the logging operations. Accounting for the revenues and expenses is going to cause an additional burden on the Accounting Department. It is going to require Council time for supervision because they are ultimately responsible for the success or failure of the operation.

Without joint funding some of the problems could be avoided if there was a system for review by all program directors of any proposal submitted. A tribe could draw up its own check list for review which could include two phases: One would be a notice of intent to prepare a proposal to be sent to all Council members and program directors. It could include a brief description of the scope of the proposed project and a request for comments on impacts of that project on everybody else's activities. The same could be done for any work project—a timber sale, an increase in the size of a tribal farm, a new business, etc. If you wanted to just go crazy on community participation, you could print it in your tribal newspaper and ask for community comment or put it on the agenda for a general council or "town meeting". The second review would be when the proposal is completed.

Sounds very bureaucratic, doesn't it? It is, but if you turn back to the organizational chart on page 12 or look at your own tribe's organization, then you'll see that tribes are already bureaucracies. Further, if

you go back in your tribe's history, you'll probably find that any major decision affecting the tribe was always discussed with the tribal leadership whatever form it took and probably the community as a whole. How traditional can you get?

Recommendation:
Some problems could be alleviated if there was joint programming by the tribes and joint funding by the federal agencies. That is slowly beginning to happen. It needs to be nurtured and encouraged rather than thwarted by federal agencies' territorial imperatives.

4. Lack of Perspective. In order to gain perspective, we have studied other governments, federal, state and local, other tribes and developing foreign nations. For example, at first glance, family and clique relationships within a tribal government horrify outsiders. Understanding that every government has them whether they are called liberal or conservative, labor or management, Democrat or Republican, multinationals or labor unions, helped us put into perspective both for the tribes and ourselves, the problems associated with decisions influenced by special interest groups whether it's your brother-in-law or the guy who makes a big donation to your senatorial or presidential campaign.

Recommendation:
Tribal decision-makers themselves must be more aware of their roles in their government and their tribal government's role as a government. The kinds of decisions that are being made in this decade are just as important and just as hard as those made by leaders of old who had to decide whether to go to war against the invaders, whether to make peace with the United States and whether to fight to ward off termination in the fifties. There is no room for "good old boys (or girls)" who mean well—there must be strong, knowledgeable leadership. A part of this leadership role is not only to see "the big picture" but to help others to see it—both inside and outside your tribe.

Tribal governments must govern—they cannot just look like governments or talk like governments, they must *be* governments.

5. The Status of Land Ownership. This is one of the most pressing problems of all the tribes and the most unforgiveable in terms of the exercise of the federal trust responsibility. The tribes have only begun recently to try to accumulate the data for themselves having been dependent on the Bureau of Indian Affairs as to the official recorder and custodian of this information. Economic development or other community development efforts are often hindered because no one knows for sure which lands are under whose control. Housing and economic development activities are often located on land less desirable than other locations simply because a particular piece may be the only one to which the tribe has clear title and exercise of control. Surveys are incomplete or non-existent for particular plots of land. Requests to the Bureau of Indian Affairs for surveys may be delayed for inordinate lengths of time "due to work back log" and a lack of funding to "support" or "a shortage of personnel". A related problem is heirship. Again, poor recordkeeping is a major contributing factor. Neither the tribes or the government has clear cut policy or legal precedent to deal with fractionated heirship. One tribe may have several categories of land ownership or control. Some reservations are allotted to both Indians and non-Indians; some reservations have assignments, use permits, etc.; some have surface and not mineral ownership. Economic development particularly of natural resources will always be complicated and hindered until these problems are worked out.

Recommendation:
This problem is so clearly one created and perpetuated by Federal policies that it provokes an incredible sense of outrage. Outrage, unfortunately, doesn't feed the baby. Tribes must get their records in order whether it is with or without government assistance.

A WORD TO THE WISE

6. Lack of a Political Power Base. Indian tribes have to spend large amounts of time and energy to make the Congress and the federal agencies aware of their problems, and responsive to their needs. They must compete with states and counties and cities who have representatives in the Senate and House of Representatives. Those members of the Congress do not always recognize the tribes as a part of their political constituency.

There is a general misconception that Indians take from the economy and do not contribute. Even in this "enlightened" day, there are many who believe that Indians sit on their reservations drawing checks from the government every month and not paying taxes. The truth is that Indians make an enormous contribution to the communities in which their reservations are located. Indian governments do receive money from various federal agencies just as cities, counties, and states do. Indians also generate income from their resources, businesses, and from individual employment. All this money goes off the reservation into the surrounding community often without even turning over one time. Indians pay all taxes except property tax on trust property, and state income tax if they reside on a reservation. They buy almost all their food, clothing, gasoline, cars, appliances, etc., in non-Indian communities. Non-Indian contractors get a great majority of the construction monies for Tribal buildings.

Even when tribes are able to establish economic systems which allow circulation of money on the reservation, it will still eventually go into the surrounding communities.

Recommendation:
The Indian community as a whole must increase its efforts to make others aware of the contribution Indians make to the economy as well as the government's responsibility to Indian nations.

Much of the anti-Indian "backlash" we have experienced in recent years could be eliminated if the non-Indian community understood the interdependence of the two communities and that a prosperous Indian community is good for everybody.

One thing any tribe can count on is a consensus from the tribal members that the tribal government doesn't work as well as they would like it to. Another thing you can count on is that there will never be a consensus on exactly how it should work. Proposed changes may be met with weeping and wailing and gnashing of teeth. Some will say, "but we've always done it that way—." Nobody has ever always done anything the same way. Tribal governments began to change the minute they became governments. They had to change to meet new circumstances and new challenges.

Tribes are now faced with rapidly changing circumstances and new challenges. Indians are the fastest growing ethnic group in the United States—half of the Indian population is under sixteen years old. Many of our young people are developing valuable skills. Most of them want to use those skills in the best interests of their people. If the tribe does not develop a way to use those skills, it will lose its best and brightest. Tribes are living on the last land they will ever have. They are faced with decisions about developing non-replenishable resources—a one time only decision. Tribes share the problems of the rest of the country—inflation, energy shortage, a deteriorating environment. Tribes must deal with an ever-changing Federal government and live in an ever-changing larger society.

Yet, tribes and tribal governments have survived longer than anybody can remember and longer than anybody can remember anybody that remembered. They learned to cope; they always have. The challenge to this generation is to develop the skills to insure that they always will.

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Investment Management Orientation
for Three Tribes
Equitable Life Assurance Society
New York, New York
September 15, 1978

One Tribal Council requested that Americans for Indian Opportunity arrange for an investment management orientation for members of their council. We asked Coy Eklund, President and Chief Executive Officer of Equitable Life Assurance Society of the United States to assist us. He invited the three tribal councils to send representatives to Equitable's New York Offices for an orientation and tour of Equitable's investment operation. The following is a list of the people present, and a summary of general information presented:

Equitable Life Representatives

Glen Johnson, Vice President
Direct Placement Office

John Dudley, Vice President
Treasury Division

Gary Burkhead, Senior Vice President
Corporate Investment Sector

Bob Hayes, Vice President
Portfolio Management–
runs large pools of investment in publicly traded stocks and bonds; works closely with pensions

Jim Creddon, Vice President
Direct Placement Deapartment

Don Quay, Group Pension Department
–works with national accounts and investment programs

Jim Ryan, Vice President
Investment Advisory Department–
works between people who have dollars and people who invest it

Dorothy Orr, Vice President
Corporate Social Responsibility–
considers social consequences of decisions (social and financial goals)

Howard Sohn, Assistant to the Vice President
Office of Corporate Social Responsibility,
monitors social issues–keeping track of programs and activities

Americans for Indian Opportunity

Margaret L. Gover, Assistant to the President
Regis Pecos, Technical Assistant Specialist
Marianna Ray, Research Director

Tribal Representatives

A total of ten from three tribes.
One Bureau of Indian Affairs Representative.

WHAT IS AN INVESTMENT?

According to Websters New Collegiate Dictionary it is:

investment–the outlay of money usually for income or for profit; capital outlay; the sum invested or the property purchased

Websters New Collegiate Dictionary

A tribe may invest in many things. Equipment, buildings, scholarships, housing, etc. In these cases, it is expected that the return on the investment will be better services to the people. Or a tribe might invest its money in the money business–buying and selling instruments of credit (instruments of credit can be anything from a personal IOU to stocks and bonds). There are risks involved in every investment. That is, there is a gamble. When you put your money into scholarships, for instance, you are betting that the money will be used to provide an education for one of your people which will pay off in more opportunities for that person and/or a more capable servant of your people.

When you invest money in a savings account for a certain amount of interest, you are betting that that bank will be able to make enough money off of your money and that of other savers to pay you that amount of interest plus enough to pay their operating expenses. If you invest in stocks of a certain corporation, you are betting that the management of that compnay is going to be smart enough to use the money in such a way that the value of stock–the amount you would be able to sell it for–will go up and that perhaps there will be enough profit to be divided up among all those who have invested in (or bet on) that company–dividends.

Even if you stuff your money in your mattress or bury it in the ground, you are still gambling. You are gambling that when you dig it up it will still be

worth what it was when you buried it. For example, a refrigerator costs $500 now and you have the $500, but you don't want to buy a refrigerator until next year when you move into your new house. So you bury your $500 in a coffee can out in the yard. When you dig it up and go to buy the same refrigerator next year, you may not be able to buy a refrigerator for $500–your money is not worth what it was when you put it in the ground.

Understanding risks was the focus of the investment management orientation presented by officers of Equitable Life Assurance Society of the United States for members of the Tribal Councils.

Investment Management Objectives:

The first step in setting up an investment management program is to establish objectives. That is, an investor must decide why he wants to invest money.

Current Income: It might be for current income. For example, if a tribe wanted to support its tribal administration or a scholarship fund or a burial fund with the interest or the proceeds or investing its capital, then they would be investing for the purpose of providing current income. The income from the investment would be spent as it became available.

Capital Appreciation: The objective might be for capital appreciation. That is, instead of spending the income each year, the interest or the proceeds would be added to the amount of the investment (the capital you had at the beginning) and reinvested. It would continue to accumulate.

Maintain Liquidity: The objective might be to maintain liquidity–that is, to make money off of money until it is needed for something else. A tribe might have a sum of money that it wants to set aside for loans to tribal enterprises or to individual tribal members. Perhaps no suitable enterprise was ready for funding or nobody asked for a loan for a year or two or three. The money should not just sit there, yet it should be available when it is needed.

Diversification: An investment objective might be diversification. Perhaps a person has invested all their money in one kind of investment, say oranges. So far oranges have done okay, but past experience shows that there is a killing freeze on an average of every five years. This is his fifth year with oranges. Maybe it will freeze this year and maybe it won't. So he decides that he should invest in apples and grapes so the chances for making money or losing money are spread out over more than one thing–diversified. He may make money off all three, or make money on two and lose on the third; or make money on one and lose on two. Both the chances of making money and the chances of losing are spread over a wider area.

Risks:

Every decision to invest is accompanied by risk. Recognizing and minimizing those risks is the real trick. There are four major kinds of risks:

Credit Risk: You don't want to invest in a company or a business that has a reputation for not paying its bills. You are, after all, loaning them your money. You need to know as much about who you are investing in as possible. This is not easy and it requires skilled research.

Interest Rate Risk: There is a risk involved with interest rates. You invest a thousand dollars at 8% provided you leave your money in this particular investment for one year. Six months later, the interest rate goes up 10%. On your thousand dollars at 8%, you would make $80. If you had been able to take your money at the end of six months, you would have had $40 interest. If you invested it again at the new 10% rate, you would make $50 for the second six months. That would be a total of $90 for the year or $10 more. But, of course, the interest rate could have gone down to 6% or 5%. In that case, you would have been better off tying your money up for a full year at 8%.

Inflation Risk: Inflation, very simply put, means that the money you have today won't buy the same things tomorrow. It won't be worth as much. As in

the refrigerator example used above, there is a risk in not using the money you have. This must be weighed along with consideration of all other risks.

Market Risk: This risk has to do with being able to foresee the rise and fall of the value of the product you are investing in. For instance, if you had invested in hula hoops before they became popular and sold out at the height of the popularity, you would have made a lot of money. But if you held on to your hula hoop stock thinking the fad would go on forever, today your hula hoop stock wouldn't be worth much. The ability to understand market trends requires training and skill.

The trick in investing is to invest in a variety of different things with varying risks. This is called *portfolio mix*. What is a portfolio? It's just a fancy word for *list*. When people talk about their investment portfolio, it is simply a list of their investments and the basic data related to each investment.

Stocks and Bonds:

A Bond is merely an IOU. The borrower agrees to pay you back the entire amount of the loan on a given date called the maturity date plus a certain amount of interest. The interest is paid at a set rate and is collected at predetermined intervals throughout the life of a bond. This is usually called the "coupon rate".

A Stock is a little piece of ownership. That is, a stock represents a share of the ownership of a company's capital or assets. When you buy a share of stock in a company, you pay a price that is supposedly equivalent to the value of the company divided by the number of shares available for sale. In actuality, the value of a share of stock is based on what people are willing to pay for a piece of the ownership. While small amounts of money may be made through dividends, that is, a company makes enough profit so that it decides to share it equally among the stockholders, the real money in the stock market is made by buying and selling. You buy when people don't think a company is worth very much and take a chance on the value going up so you can sell when people think it's worth a lot. A very risky business!

Can A Tribe Manage Its Own Investments?

Certainly. All tribes do whether they think of it in those terms or not. The land and the people are investments. Although there is a recognized responsibility of the Federal government to oversee the management of those resources, the "trust responsibility", the tribal decision-makers still have the final responsibility.

The management of money, like the management of any other resource is a very complicated business. Most tribes do not have the technical expertise immediately available to enter the stock market or the business of buying and selling money. This means they must do two things: (1) develop their own capabilities; and (2) know what they don't know and buy that kind of expertise.

There are investment counselors, brokers, bankers, and others who can advise a tribe on how to plan. They cost money and you should understand that you will have to pay. The Bureau of Indian Affairs Trust Management Division does a better job than it once did. Tribal decision-makers have the responsibility of deciding whether they are doing the best possible job. One way is to ask hard questions. They work for you and not vice-versa. It is their obligation to give you all the information you need upon which to base an informed decision.

The best of all possible worlds, of course, is that you have your own expertise. The Equitable Life Assurance Society has indicated that they will consider an internship for some tribal members to be trained in investment management as a part of their corporate responsibility program. There are probably other companies who would be willing to consider this possibility also.